



BILLING CODE: 4810-33-P

## DEPARTMENT OF THE TREASURY

### Office of the Comptroller of the Currency

#### Agency Information Collection Activities: Information Collection Renewal; Submission for OMB Review; Guidance on Sound Incentive Compensation Policies

**AGENCY:** Office of the Comptroller of the Currency (OCC), Treasury.

**ACTION:** Notice and request for comment.

**SUMMARY:** The OCC, as part of its continuing effort to reduce paperwork and respondent burden, invites the general public and other Federal agencies to take this opportunity to comment on the renewal of an information collection as required by the Paperwork Reduction Act of 1995 (PRA). An agency may not conduct or sponsor, and a respondent is not required to respond to, an information collection unless it displays a currently valid Office of Management and Budget (OMB) control number. The OCC is soliciting comment concerning renewal of an information collection titled, "Guidance on Sound Incentive Compensation Policies." The OCC also is giving notice that it has sent the collection to OMB for review.

**DATES:** Written comments should be submitted by **[INSERT DATE 30 DAYS FROM DATE OF PUBLICATION IN FEDERAL REGISTER.]**

**ADDRESSES:** Commenters are encouraged to submit comments by e-mail, if possible. You may submit comments by any of the following methods:

- *E-mail:* [prainfo@occ.treas.gov](mailto:prainfo@occ.treas.gov).
- *Mail:* Chief Counsel's Office, Attention: Comment Processing, 1557-0245, Office of the Comptroller of the Currency, 400 7<sup>th</sup> Street, SW., suite 3E-218, Washington, DC 20219.
- *Hand Delivery/Courier:* 400 7<sup>th</sup> Street, SW., suite 3E-218, Washington, DC 20219.

- *Fax:* (571) 465-4326.

Instructions: You must include “OCC” as the agency name and “1557-0245” in your comment. In general, the OCC will publish comments on *www.reginfo.gov* without change, including any business or personal information provided, such as name and address information, e-mail addresses, or phone numbers. Comments received, including attachments and other supporting materials, are part of the public record and subject to public disclosure. Do not include any information in your comment or supporting materials that you consider confidential or inappropriate for public disclosure.

Additionally, please send a copy of your comments by mail to: OCC Desk Officer, 1557-0245, U.S. Office of Management and Budget, 725 17<sup>th</sup> Street, NW., #10235, Washington, DC 20503 or by email to *oira\_submission@omb.eop.gov*.

You may review comments and other related materials that pertain to this information collection<sup>1</sup> following the close of the 30-day comment period for this notice by any of the following methods:

- **Viewing Comments Electronically:** Go to *www.reginfo.gov*. Click on the “Information Collection Review” tab. Underneath the “Currently under Review” section heading, from the drop-down menu select “Department of Treasury” and then click “submit.” This information collection can be located by searching by OMB control number “1557-0245” or “Guidance on Sound Incentive Compensation Policies.” Upon finding the appropriate information collection, click on the related “ICR Reference Number.” On the next screen, select “View Supporting Statement and Other Documents” and then click on the link to any comment listed at the bottom of the screen.

---

<sup>1</sup> On December 12, 2019, the OCC published a 60-day notice for this information collection, 84 FR 68012.

- For assistance in navigating *www.reginfo.gov*, please contact the Regulatory Information Service Center at (202) 482-7340.
- Viewing Comments Personally: You may personally inspect comments at the OCC, 400 7<sup>th</sup> Street, SW., Washington, DC. For security reasons, the OCC requires that visitors make an appointment to inspect comments. You may do so by calling (202) 649-6700 or, for persons who are deaf or hearing impaired, TTY, (202) 649-5597. Upon arrival, visitors will be required to present valid government-issued photo identification and submit to security screening in order to inspect comments.

**FOR FURTHER INFORMATION CONTACT:** Shaquita Merritt, OCC Clearance Officer, (202) 649-5490 or, for persons who are deaf or hearing impaired, TTY, (202) 649-5597, Chief Counsel's Office, Office of the Comptroller of the Currency, 400 7<sup>th</sup> Street, SW., Washington, DC 20219.

**SUPPLEMENTARY INFORMATION:** Under the PRA (44 U.S.C. 3501 *et seq.*), Federal agencies must obtain approval from OMB for each collection of information that they conduct or sponsor. "Collection of information" is defined in 44 U.S.C. 3502(3) and 5 CFR 1320.3(c) to include agency requests or requirements that members of the public submit reports, keep records, or provide information to a third party. The OCC asks OMB to renew its approval of the collection of information in this notice. The requirements of this collection have not changed.

*Title:* Guidance on Sound Incentive Compensation Policies.

*OMB Number:* 1557-0245.

*Description:* Under the guidance, each large national bank and Federal savings association should: (i) have policies and procedures that identify and describe the role(s) of the personnel and units authorized to be involved in the design, implementation, and monitoring of

incentive compensation arrangements, identify the source of significant risk-related inputs into these processes and establish appropriate controls governing the development and approval of these inputs to help ensure their integrity, and identify the individual(s) and unit(s) whose approval is necessary for the establishment of new incentive compensation arrangements or modification of incentive compensation arrangements; (ii) have any material exceptions or adjustments to the incentive compensation arrangements established for senior executives approved and documented by its board of directors; and (iii) have its board of directors receive and review, on an annual or more frequent basis, an assessment by management of the effectiveness of the design and operation of the organization's incentive compensation system in providing risk-taking incentives that are consistent with the organization's safety and soundness. Application of the guidance to banking organizations will vary with their size and complexity, and monitoring methods for small banks are not directly tied to these three policies and procedures. In addition, the guidance states that all banks should create and maintain sufficient documentation to permit an audit of the organization's processes for developing and administering incentive compensation arrangements.

*Type of Review:* Regular.

*Affected Public:* Business or other for-profit.

*Estimated Number of Respondents:* 41 large banks; 1,105 small banks.

*Total Annual Burden:* 35,330 hours. This estimate has been adjusted from the estimate in the 60-day notice to reflect that the requirement that banks should create and maintain sufficient documentation to permit an audit of the organization's processes for developing and administering incentive compensation arrangements applies to all banks.

*Frequency of Response:* Annually.

On December 12, 2019, the OCC published a notice for 60 days of comment concerning this collection, 84 FR 68012. No comments were received. Comments continue to be invited on:

- (a) Whether the collection of information is necessary for the proper performance of the functions of the OCC, including whether the information has practical utility;
- (b) The accuracy of the OCC's estimate of the information collection burden;
- (c) Ways to enhance the quality, utility, and clarity of the information to be collected;
- (d) Ways to minimize the burden of the collection on respondents, including through the use of automated collection techniques or other forms of information technology; and
- (e) Estimates of capital or startup costs and costs of operation, maintenance, and purchase of services to provide information.

Dated: March 10, 2020.

**Theodore J. Dowd,**

*Deputy Chief Counsel,*

*Office of the Comptroller of the Currency.*

[FR Doc. 2020-05329 Filed: 3/13/2020 8:45 am; Publication Date: 3/16/2020]